



Statement of Bree Dietly to the House Committee on Environment and Natural Resources in Opposition to H.5280

February 11, 2021
The Honorable David A. Bennett, Chairman
House Committee on Environment and Natural Resources
The State House
Providence, RI 02903

RE: H-5280– An Act Relating To Health and Safety -- Beverage Container Deposit Recycling
Act of 2021

Dear Chair Bennett & Committee Members:

I am submitting written testimony in opposition to House Bill 5280 on behalf of American Beverage. My name is Bree Dietly and I am a Principal at Northbridge Environmental in Westford, Massachusetts and a consultant to the beverage industry on recycling issues.

I have conducted research on beverage container deposit programs for 34 years and have experience in the operational side of the programs as well. I currently serve as the manager of two industry cooperatives that oversee collection of empty containers under the deposit systems in Maine and Vermont.

Our Employees and Our Commitments

ABA members produce and distribute a wide array of refreshment beverages through a network of local bottlers who live and work in Rhode Island. Our industry provides jobs to 600 Rhode Islanders; these jobs are some of the best paid, highest benefit jobs available in communities to employees with and without college degrees, and many of them are union jobs. We are proud of our employees and how they and the companies they work for are involved in and give back to our communities.

The beverage industry plays an important role in advancing the circular economy. Our packaging is specifically designed and optimized for recycling. In particular, our PET bottles and aluminum cans are 100% recyclable, have a high commodity value and, when collected and recycled, can become new bottles and cans. The industry also has invested in local and regional recycling infrastructure for more than 40 years.

The companies have also made commitments to incorporate more recycled content into our PET bottles and to reduce the amount of new plastic in our bottles. We are working to get every bottle back to meet these ambitious goals and support a circular economy for our beverage containers.

Every Bottle Back: ABA's Commitment to Reduce New Plastic Use and Increase Collection of their Valuable Bottles

In November 2019, The Coca-Cola Company, Keurig Dr Pepper and PepsiCo, announced the



launch of the *Every Bottle Back* initiative, a breakthrough effort to reduce the industry's use of new plastic by making significant investments to improve the collection of the industry's valuable plastic bottles so they can be made into new bottles. These competitors are coming together to support the circular plastics economy by reinforcing to consumers the value of their 100 percent recyclable plastic bottles and caps and ensuring they don't end up as waste in oceans, rivers or landfills. This program is being executed in conjunction with two of the country's most prominent environmental nonprofits and the leading investment firm focused on the development of the circular economy. The World Wildlife Fund (WWF) will provide strategic scientific advice to help measure the industry's progress in reducing its plastic footprint and The Recycling Partnership and Closed Loop Partners will assist with deploying our investments in community recycling infrastructure for the initiative.

This initiative will do the following:

1. **Measure industry progress in reducing the use of new plastic in the United States** through a collaboration with ReSource: Plastic, WWF's corporate activation hub to help companies turn their ambitious plastic waste commitments into meaningful and measurable progress by rethinking the way plastic material is produced, used and recycled. Specifically, ABA will use the ReSource: Plastic accounting methodology to track on the collective progress made on executing strategies to reduce the use of new plastic as well as a resource in identifying additional interventions.
2. **Improve the quality and availability of recycled plastic** in key regions of the country by directing the equivalent of \$400 million to The Recycling Partnership and Closed Loop Partners through a new \$100 million industry fund that will be matched three-to-one by other grants and investors. The investments will be used to improve sorting, processing and collection in areas with the biggest infrastructure gaps to help increase the amount of recycled plastic available to be remade into beverage bottles.
3. **Launch a public awareness campaign to help consumers understand the value of 100% recyclable bottles** through community outreach and partner engagement and reinforce the importance of getting these bottles back, so they can be remade into new bottles.
4. **Work together to leverage our packaging to remind consumers that our bottles can be remade into new bottles if recycled.** Beverage companies plan to begin introducing voluntary messaging on packages began in late 2020.

Policy Considerations

Our industry supports a wide range of programs to recover more of our bottles and cans so we can use them to make new ones. We have invested in 100 percent recyclable packages not to see them thrown away, but to get them back. Our experience participating in deposit systems around the world has led us to understand the principles that underlie a successful deposit and redemption program. Unfortunately, most U.S. deposit systems were not built on such principles and cannot be considered successful when it comes to their environmental impact.



The proposal set forth in H.5280 is based on U.S. deposit systems established in the 1970s that have led to stagnant redemption rates. These systems do not provide accountability for performance, lack coordination, reward inefficiency, redirect consumer money to unrelated programs, and fail to align with the market realities of the 21st century.

We cannot support H.5280 because it does not meet our principles for successful and sustainable deposit systems. The most effective deposit systems are run by a single non-profit organization – over which government has oversight – that coordinates the design, operation and financing of the system across a jurisdiction. These organizations are accountable for providing a convenient service to consumers and delivering high recovery targets. One key element of effective deposit systems is that producer fees paid into the system go solely toward operating and investing in the system, and any unclaimed deposits are retained to support operating costs.

As producers, we have a responsibility in helping manage our packaging and returning it to new bottles and cans, but this bill is not the right approach for Rhode Island. Before triggering the enormous investment and market disruption associated with this program, the state would do well to assess its recycling infrastructure and evaluate what policies would lead to the most sustainable and efficient solutions to achieve its goals.

Conclusion

We appreciate the opportunity to share our goals for a circular economy and our thoughts on the kinds of deposit systems that drive stronger environmental outcomes and are more financially sustainable than most U.S. deposit systems we participate in today. We look forward to working with policymakers to create sustainable and efficient solutions in Rhode Island. Thank you for your consideration and the Committee's time this afternoon.

Very truly yours,

Bree Dietly

Principal

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